SENATE BILL REPORT

SB 5197

As Reported By Senate Committee On: Higher Education, February 13, 1997

Title: An act relating to undergraduate fellowships for needy and meritorious students.

Brief Description: Creating undergraduate fellowships for needy and meritorious students.

Sponsors: Senators Kohl, Wood, Winsley, Patterson, Bauer, Goings, Jacobsen and McAuliffe; by request of Higher Education Coordinating Board.

Brief History:

Committee Activity: Higher Education: 2/10/97, 2/13/97 [DPS-WM].

SENATE COMMITTEE ON HIGHER EDUCATION

Majority Report: That Substitute Senate Bill No. 5197 be substituted therefor, and the substitute bill do pass and be referred to Committee on Ways & Means.

Signed by Senators Wood, Chair; Winsley, Vice Chair; Bauer, Kohl, Patterson, Prince and Sheldon.

Staff: Jennifer Hanlon (786-7784)

Background: There are four programs designed to match state funds with private donations in order to attract exemplary faculty and graduate students to Washington's public colleges and universities. The Distinguished Professorship and Graduate Student Fellowship programs match state funds with private donations to create endowed positions at the public baccalaureate institutions.

In the Community College Exceptional Faculty Awards program, state funds and private donations are equally matched. This program rewards outstanding service by individual faculty members and funds faculty development activities. Community and technical college foundations are permitted to participate in this program.

Individuals engaged in research into diabetes, Parkinson's disease, osteoporosis, and other medical disorders receive funding from the Warren G. Magnuson Institute for Biomedical Research and Health Professions Training. The institute is funded by an endowment which receives state funds and private donations.

Summary of Substitute Bill: The Washington Undergraduate Fellowship Trust Fund is established. The program is administered by the Higher Education Coordinating Board and funds appropriated by the Legislature are administered by the State Treasurer's office.

The Higher Education Coordinating Board, in consultation with eligible institutions, sets guidelines for the program. The guidelines may include an allocation system which

SB 5197 -1- Senate Bill Report

considers the amount of money in the trust fund, characteristics of the institutions, and the number of fellowships previously received.

All four-year institutions are eligible and they may apply for \$25,000 from the fund when they can match state funds with equal private donations. If the pledged money is not received within two years of the pledge, the board makes the funds available for another institution.

The fellowship is the property of the institution and may be named in honor of a donor, benefactor, or honoree of the institution. The institution is responsible for administering the fellowship and reporting to the Governor and the Legislature.

The Governor may transfer administration of the program to another agency. By December 1, 1999, the administering agency must make recommendations to the Governor and Legislature regarding the program.

Substitute Bill Compared to Original Bill: Middle-income students are included in the fellowship program. Community and technical colleges are eligible institutions.

Appropriation: None.

Fiscal Note: Available.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: There are many students with a large need for financial aid that approach middle-income. This program provides financial assistance for outstanding needy students.

Testimony Against: None.

Testified: Susan Patrick, HECB; Rhonda Coats, SBCTC.

SB 5197 -2- Senate Bill Report